

Power Corporation of Canada (POW.TO) Acquisition of Galaxy Digital (GLXY.TO)

Case Study by Thomas Giroux

Estimated Total Return: $\approx 48.07\%$, IRR $\approx 38\%$

August 21st, 2024

GLXY.TO		POW.TO	
<i>Millions USD</i>		<i>Millions CAD</i>	
Price	\$ 15.26	Price	\$ 38.90
Shares	340.83	Shares	653
MC	5,201	MC	25,402
Cash	2,422	Cash	39,108
Debt	1,589	Debt	20,716
EV	4,368	EV	7,010

Company Description:

Galaxy Digital Holdings Ltd. is a financial services and investment management firm focused on the digital asset and blockchain sectors. Founded by Michael Novogratz in 2006 and headquartered in New York, the company serves a diverse clientele, including institutions, startups, and qualified individuals, providing them access to the crypto economy. The business segments of GLXY include:

- Trading
- Investment Banking
- Asset Management
- Crypto Mining
- Blockchain Infrastructure

Why Acquire Galaxy Digital Holdings:

In my view, Galaxy could not only give Power Corp access to the cryptocurrency market, but it could also help leverage both Power Corp's wealth management businesses and insurance holdings with this new financial technology.

The synergies stem from GLXY's crypto assets that could be offered to Power Corp's existing clients (Wealthsimple, IG Wealth Financial, Rockefeller Capital Management) thus generating more income off of these already existing assets. The creation of ETFs and mutual funds is the most obvious way to monetize these digital assets.

Under this premise, I see Asset Management revenues generating synergic values for both POW and GLXY post-acquisition. The very same concept applies for the Investment segment of both

businesses (Gain on Sale of Cryptos and Gain on Sale of Investments, for GLXY). Insurance and Derivatives revenues should also generate synergic value for POW and GLXY respectively, when tokenizing already existing insurance policies.

Revenue Synergies:

POW Income Statement

millions CAD												
Revenue	2022	2023	LTM	2025	2026	2027	2028	2029	2030	2031	2032	2033
Insurance Premiums	19,632	20,402	20,807	23,096	25,636	28,456	30,448	32,580	34,860	37,300	39,911	42,705
Insurance Claims	(15,272)	(15,777)	(15,943)	(17,697)	(19,643)	(21,804)	(23,330)	(24,964)	(26,711)	(28,581)	(30,581)	(32,722)
Reinsurance	(1,531)	(1,544)	(1,558)	(1,729)	(1,920)	(2,131)	(2,280)	(2,440)	(2,610)	(2,793)	(2,989)	(3,198)
Insurance Profit	2,829	3,081	3,306	3,670	4,073	4,521	4,838	5,177	5,539	5,927	6,341	6,785
Sale of Investment	(23,365)	15,859	13,458	14,535	15,697	16,953	18,309	19,774	21,356	23,065	24,910	26,903
Investment Result from Insurance Activities	26,012	(13,820)	(10,463)	(11,300)	(12,204)	(13,180)	(14,235)	(15,374)	(16,603)	(17,932)	(19,366)	(20,916)
Investment Profit	2,647	2,039	2,995	3,295	3,459	3,632	3,814	4,004	4,205	4,415	4,636	4,867
Asset Mgmt Fee + Other	9,267	10,167	10,834	11,376	11,944	12,542	13,169	13,827	14,519	15,245	16,007	16,807
SG&A	(9,683)	(11,214)	(11,559)	(12,137)	(12,744)	(13,381)	(14,050)	(14,753)	(15,490)	(16,265)	(17,078)	(17,932)
Financing Expenses	(672)	(766)	(792)	(832)	(873)	(917)	(963)	(1,011)	(1,061)	(1,114)	(1,170)	(1,229)
Asset Mgmt + Other Profit	(1,088)	(1,813)	(1,517)	(1,593)	(1,672)	(1,756)	(1,844)	(1,936)	(2,033)	(2,135)	(2,241)	(2,353)
Total Profit	4,388	3,307	4,784	5,371	5,860	6,397	6,808	7,245	7,711	8,207	8,736	9,299
Earnings (loss) from Investment Holdings	(34)	615	471	504	539	577	617	661	707	756	809	866
Pretax Income	4,354	3,922	5,255	5,875	6,399	6,974	7,425	7,906	8,418	8,963	9,545	10,165
Taxes	646	263	594	645	703	768	817	869	925	985	1,048	1,116
Tax %	14.72%	7.95%	12.42%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Net Earnings	3,708	3,659	4,661	5,231	5,696	6,207	6,608	7,036	7,492	7,978	8,497	9,049
Discontinued Ops Loss	(32)	(124)	(105)	(112)	(120)	(129)	(138)	(147)	(158)	(169)	(180)	(193)
Net Income	3,676	3,535	4,556	5,118	5,576	6,078	6,471	6,889	7,335	7,810	8,316	8,856

GLXY Income Statement

millions CAD, USD/CAD=1.37												
Revenue	2022	2023	LTM	2025	2026	2027	2028	2029	2030	2031	2032	2033
Revenue Breakdown:												
Fee Revenue	49	70	110	123	138	155	173	194	217	244	273	306
Realized Gain on Cryptos	76	427	458	527	605	696	801	921	1,059	1,218	1,401	1,611
Realized Gain on Investments	58	18	(264)	20	21	23	24	26	28	30	32	34
Lending + Staking Revenue	50	72	158	190	228	273	328	393	472	566	679	815
Derivatives Gain	262	208	378	419	466	517	574	637	707	785	871	967
Mining Revenue	41	45	80	86	92	98	105	113	120	129	138	148
Other Income	39	0	1	1	1	1	1	1	1	1	1	1
FX Gain	0	(1)	1	1	1	1	1	1	1	1	1	1
Net Gain on Notes Derivatives	79	(13)	(27)									
Net Gain on Warrant Liability	28	0	0									
Revenue	682	827	895	1,366	1,552	1,764	2,007	2,285	2,605	2,972	3,395	3,881
SG&A	439	345	471	556	656	774	914	1,078	1,272	1,501	1,772	2,091
Equity Comp	138	99	86	90	93	97	101	105	109	113	118	123
OpEx	577	445	558	646	750	871	1,015	1,183	1,381	1,615	1,890	2,213
Operating Income	105	383	337	721	802	892	992	1,102	1,224	1,358	1,505	1,668
Interest Expense	104	71	114	123	133	144	155	168	181	196	211	228
Pretax Income	1	311	223	597	669	748	837	934	1,042	1,162	1,294	1,440
Taxes (benefit)	(49)	16	6	90	100	112	125	140	156	174	194	216
Tax %		4.12%	1.82%	12.43%	12.51%	12.58%	12.65%	12.72%	12.78%	12.84%	12.89%	12.95%
Net Income	50	296	217	508	569	636	711	794	886	988	1,100	1,224

Warren Buffett DCF Approach

US 30Y Yield	4.11%
Margin of Safety	5.89%

Discount Rate	10.00%
NPV	\$4,427.31
+ Cash	3,318
- Debt	2,177
Shares	340.83

Estimated Price	\$ 16.34
-----------------	----------

Actual Price CAD	\$ 15.26
Upside	7.06%

DCF Breakdown:

The price of Bitcoin, Ethereum and Solana drastically increased over the past months, hence the sudden share price increase of GLXY. Consequently, the upside in share price from a DCF approach has decreased, but the potential revenue synergies with POW are still extremely relevant and not taken into account from a DCF approach.

Revenue

millions CAD, USD/CAD=1.37

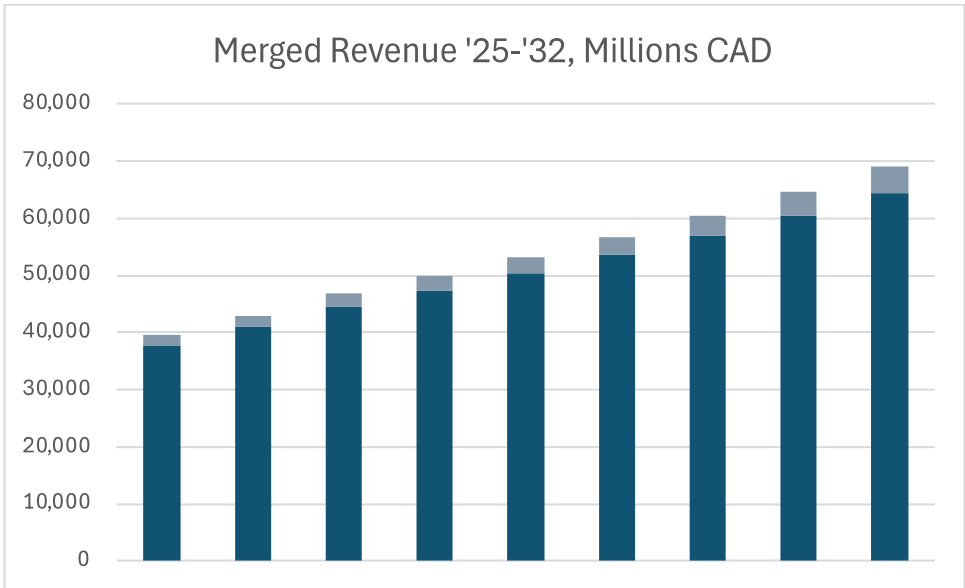
Date	Pre-Acquisition			Post-Acquisition								
	2022	2023	LTM	2025	2026	2027	2028	2029	2030	2031	2032	2033
Asset Mgmt Rev:												
POW	9,267	10,167	10,834	11,376	11,944	12,542	13,169	13,827	14,519	15,245	16,007	16,807
GLXY / Synergy Gain	49	70	110	132	158	189	227	273	327	393	471	566
Total	9,316	10,237	10,944	11,507	12,102	12,731	13,396	14,100	14,846	15,637	16,478	17,373
Insurance/Derivative Revenue:												
POW	19,632	20,402	20,807	23,096	25,636	28,456	30,448	32,580	34,860	37,300	39,911	42,705
GLXY / Synergy Gain	262	208	378	1,071	1,103	1,224	1,359	1,508	1,674	1,858	2,063	2,290
Total	19,894	20,610	21,185	24,167	26,739	29,680	31,807	34,088	36,534	39,159	41,974	44,995
Investments:												
POW	2,647	2,039	2,995	3,295	3,459	3,632	3,814	4,004	4,205	4,415	4,636	4,867
GLXY / Synergy Gain	133	446	194	281	323	371	427	491	564	649	746	858
Total	2,780	2,485	3,189	3,575	3,782	4,003	4,241	4,495	4,769	5,064	5,382	5,726
Lending & Staking + Other Rev:												
GLXY	50	72	158	190	228	273	328	393	472	566	679	815
Mining Revenue:												
GLXY	41	45	80	86	92	98	105	113	120	129	138	148
# of BTC mined	1,256	1,256	1,257	1,261	1,293	1,325	1,358	1,372	1,385	1,399	1,413	1,427
Other:												
Other Income	39	0	1	1	1	1	1	1	1	1	1	1
FX Gain	0	(1)	1	1	1	1	1	1	1	1	1	1
Net Gain on Notes Derivatives	79	(13)	(27)									
Net Gain on Warrant Liability	28	0	0									
Total	237	104	213	277	321	373	435	508	594	697	819	965
Total Revenue:												
POW	31,546	32,608	34,636	37,766	41,040	44,630	47,431	50,411	53,583	56,960	60,554	64,380
GLXY/Synergy	682	827	894	1,760	1,905	2,158	2,448	2,780	3,160	3,597	4,100	4,678
Total Gross Revenue	32,228	33,435	35,530	39,526	42,945	46,788	49,879	53,191	56,744	60,557	64,654	69,058

Breakdown of Revenue Synergies:

The Synergic gain for the new “Asset Management” segment (Fee Revenue for GLXY) is 20%, for the first post-acquisition year versus 12% expected standalone growth. I expect this synergy because of the already well-established customer base and platforms POW has in its arsenal which are ready for a new asset class to invest in.

The segment which I expect will generate the most synergic value, stems from the tokenization (securitization with the help of blockchain technologies) of a portion of POW’s insurance policies. The insurance market is slowly adopting blockchain technology to digitalize its assets and make them more transparent and faster to process. With the help of GLXY’s expertise in tokenization, a very conservative estimate of 14% growth vs 11% standalone growth is expected (3% synergy gain for 2025).

Lastly, I also believe the Investments segment of the newly formed POW will generate synergic value for the same reasons as the Asset Management Segment mentioned above. In other words, the Investments segment will nonlinearly increase for the first post-acquisition year as a consequence of both of the prior new segments and the client reach POW has with its multiple businesses. A 45% increase for 2025 (first year post-acquisition) is therefore expected.



Net Income Breakdown:

Net Income

millions CAD, USD/CAD=1.37

Pre-Acquisition			Post-Acquisition									
Date	2022	2023	LTM	2025	2026	2027	2028	2029	2030	2031	2031	2032
Total Revenue:												
POW	31,546	32,608	34,636	37,766	41,040	44,630	47,431	50,411	53,583	56,960	60,554	64,380
GLXY/Synergy	682	827	894	1,760	1,905	2,158	2,448	2,780	3,160	3,597	4,100	4,678
Total Gross Revenue	32,228	33,435	35,530	39,526	42,945	46,788	49,879	53,191	56,744	60,557	64,654	69,058
Insurance Claims	(15,272)	(15,777)	(15,943)	(17,697)	(19,643)	(21,804)	(23,330)	(24,964)	(26,711)	(28,581)	(30,581)	(32,722)
Reinsurance	(1,531)	(1,544)	(1,558)	(1,729)	(1,920)	(2,131)	(2,280)	(2,440)	(2,610)	(2,793)	(2,989)	(3,198)
Gross Profit	15,425	16,114	18,029	20,100	21,382	22,853	24,268	25,788	27,422	29,183	31,084	33,138
OpEx:												
SG&A POW	(9,683)	(11,214)	(11,559)	(11,443)	(11,329)	(11,216)	(11,104)	(10,992)	(10,883)	(10,774)	(10,666)	(10,559)
SG&A GLXY	(439)	(345)	(471)	(466)	(462)	(457)	(452)	(448)	(443)	(439)	(435)	(430)
Total SG&A	(10,122)	(11,559)	(12,030)	(11,910)	(11,791)	(11,673)	(11,556)	(11,440)	(11,326)	(11,213)	(11,101)	(10,990)
Equity Compensation	(138)	(99)	(86)	(90)	(93)	(97)	(101)	(105)	(109)	(113)	(118)	(123)
Total OpEx	(10,260)	(11,658)	(12,116)	(11,999)	(11,884)	(11,770)	(11,657)	(11,545)	(11,435)	(11,326)	(11,219)	(11,112)
Operating Income	5,165	4,456	5,913	8,101	9,498	11,084	12,611	14,242	15,987	17,857	19,865	22,026
Financing Expense	(672)	(766)	(792)	(832)	(873)	(917)	(963)	(1,011)	(1,061)	(1,114)	(1,170)	(1,229)
Interest Expense	(104)	(71)	(114)	(123)	(133)	(144)	(155)	(168)	(181)	(196)	(211)	(228)
Pretax Income	4,389	3,619	5,007	7,146	8,492	10,023	11,493	13,064	14,745	16,547	18,484	20,569
Taxes:												
POW	(646)	(263)	(594)	(645)	(703)	(768)	(817)	(869)	(925)	(985)	(1,048)	(1,116)
GLXY	49	(16)	(6)	(90)	(100)	(112)	(125)	(140)	(156)	(174)	(194)	(216)
Total Taxes	(597)	(279)	(600)	(734)	(804)	(880)	(942)	(1,010)	(1,082)	(1,159)	(1,242)	(1,332)
Tax %	11.55%	6.26%	10.15%	9.06%	8.46%	7.94%	7.47%	7.09%	6.77%	6.49%	6.25%	6.05%
Net Income	3,792	3,340	4,407	6,412	7,688	9,143	10,551	12,054	13,663	15,388	17,241	19,237

Although in practice many synergy cost reductions should arise (specifically in headcounts and overall S, G & A), I built this merged cost model under the most conservative assumption that POW's S, G & A expenses will decrease by 3% per year post-acquisition and GLXY's will decrease by 1% per year post-acquisition. I believe such expense reductions will take place, because both companies' workforces are interchangeable, thus suppressing the need of distinct growing workforces.

The model also excludes any insurance direct cost reductions which should be reduced quite significantly after a few years of tokenization. After all, two of the main advantages of tokenization on-chain are the efficiency and the processing speed of claims being fulfilled that should alleviate spending pressure.

I also assumed a tax rate of roughly 10.25% on operating income thereafter the acquisition, which is in line with historical rates for POW.

Acquisition Impact on POW Share Price:

<i>millions CAD</i>	Price	Shares	Value	Premium	Cash Acquisition Cost	IRR
POW	\$ 38.90	653	25,402			
GLXY	\$ 15.26	340.83	5,201	30%	(6,761)	38%

<i>millions CAD</i>	Post-Acquisition									
	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Revenue:										
Total Post-Acquisition	39,526	42,945	46,788	49,879	53,191	56,744	60,557	64,654	69,058	
-GLXY Standalone	1,366	1,552	1,764	2,007	2,285	2,605	2,972	3,395	3,881	
-POW Standalone	37,766	41,040	44,630	47,431	50,411	53,583	56,960	60,554	64,380	
=Synergy	394	353	394	441	494	555	625	705	797	
Net Income:										
Total Post-Acquisition	6,412	7,688	9,143	10,551	12,054	13,663	15,388	17,241	19,237	
-GLXY Standalone	508	569	636	711	794	886	988	1,100	1,224	
-POW Standalone	5,118	5,576	6,078	6,471	6,889	7,335	7,810	8,316	8,856	
=Synergy	786	1,544	2,429	3,369	4,371	5,442	6,590	7,825	9,157	
Discount										
20%	Total Synergy (ΔV) Discounted	13,770								
	V*GLXY (Value of GLXY + ΔV)	18,971								
	NPV (V*GLXY - Cash Acquisition Cost)	12,210								
	Value of merged firm	37,612								
	Shares of merged firm	653								
	Price of merged firm	\$ 57.60	48.07%							

I used an aggressive 20% discount rate to calculate the total net income total synergy of the acquisition. The way we calculate the acquired firm's star value is by adding its value (market cap) to the total synergy value mentioned previously.

The NPV of the project can therefore be calculated by subtracting the cash acquisition cost (the value of GLXY + 30% premium which is in line with industry comparables). The NPV is roughly \$12.2 billion CAD and once added to the current value (market cap of POW), we get a post-acquisition value of \$37.6 billion CAD or roughly \$57.60 per share (representing a 48% increase from current levels).

The IRR is also considerable at 38%.

Merged Balance Sheet:

Balance Sheet

millions CAD, USD/CAD=1.37

Pre-Acquisition	Q2 Post-Acquisition										
Balance Sheet	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Assets											
Cash:											
GLXY	743	434	430	473	521	573	630	693	762	838	922
POW	9,848	9,937	10,890	11,652	12,468	13,341	14,275	15,274	16,343	17,487	18,711
Total Cash	10,591	10,371	11,320	12,126	12,989	13,913	14,904	15,967	17,105	18,325	19,633
AR:											
GLXY	218	766	975	1,072	1,179	1,297	1,427	1,570	1,727	1,899	2,089
POW	4,903	5,620	1,315	1,407	1,506	1,611	1,724	1,844	1,973	2,112	2,259
Total Accounts Receivables	5,121	6,386	2,290	2,479	2,685	2,908	3,151	3,414	3,700	4,011	4,349
Investments:											
GLXY	836	2,151	3,864	4,366	4,934	5,575	6,300	7,119	8,044	9,090	10,271
POW	222,545	225,362	226,004	239,564	253,938	269,174	285,325	302,444	320,591	339,826	360,216
Total Investments	223,381	227,513	229,868	243,930	258,872	274,749	291,624	309,563	328,635	348,916	370,487
GLXY	1,796	3,350	5,269	5,911	6,633	7,445	8,357	9,381	10,533	11,827	13,283
POW	237,296	240,919	238,209	252,624	267,912	284,126	301,323	319,562	338,907	359,425	381,187
Total Current Assets	239,092	244,269	243,478	258,535	274,545	291,571	309,680	328,944	349,440	371,252	394,469
GLXY	1,246	1,442	1,507	1,703	1,925	2,175	2,458	2,777	3,138	3,546	4,008
POW	17,414	16,179	50,074	53,078	56,263	59,639	63,217	67,010	71,031	75,293	79,810
Total Net LT Assets	18,660	17,621	51,581	54,782	58,188	61,814	65,675	69,788	74,169	78,839	83,818
GLXY	3,043	4,793	6,776	7,615	8,558	9,620	10,814	12,159	13,671	15,374	17,290
POW	254,710	257,098	288,283	305,702	324,175	343,765	364,540	386,573	409,938	434,718	460,997
Total Assets	257,753	261,891	295,059	313,317	332,733	353,385	375,355	398,731	423,610	450,092	478,287
Liabilities											
ST Debt:											
GLXY	234	673	1,591	1,544	1,497	1,452	1,409	1,367	1,326	1,286	1,247
POW	561	734	471	462	452	443	434	426	417	409	401
Total ST Debt	795	1,407	2,062	2,005	1,950	1,896	1,843	1,792	1,743	1,695	1,648
Payables:											
GLXY	320	937	1,407	1,520	1,641	1,772	1,914	2,067	2,233	2,411	2,604
POW	3,675	3,954	3,954	4,152	4,359	4,577	4,806	5,046	5,299	5,564	5,842
Total Payables	3,995	4,891	5,361	5,671	6,000	6,350	6,720	7,114	7,531	7,975	8,446
Other Current Liabilities:											
GLXY	103	353	446	481	520	562	606	655	707	764	825
POW	2,892	5,769	1,823	1,805	1,787	1,769	1,751	1,734	1,716	1,699	1,682
Total Other Current Liabilities	2,995	6,122	2,269	2,286	2,307	2,330	2,358	2,389	2,424	2,463	2,507
GLXY	656	1,964	3,444	3,545	3,658	3,786	3,929	4,089	4,266	4,461	4,676
POW	7,128	10,457	6,248	6,418	6,598	6,789	6,992	7,206	7,432	7,672	7,925
Total Current Liabilities	7,784	12,421	9,692	9,963	10,257	10,576	10,921	11,295	11,698	12,133	12,601
LT Debt:											
GLXY	527	559	586	615	646	678	712	748	785	824	866
POW	18,815	18,376	20,245	20,852	21,478	22,122	22,786	23,470	24,174	24,899	25,646
Total LT Debt	19,342	18,935	20,831	21,468	22,124	22,801	23,498	24,217	24,959	25,723	26,511
Other Non-Current Liabilities:											
GLXY	60	60	75	79	83	87	92	96	101	106	111
POW	112,407	109,793	122,363	126,034	129,815	133,709	137,721	141,852	146,108	150,491	155,006
Total Other Non-Current Liabilities	112,467	109,853	122,438	126,113	129,898	133,797	137,812	141,948	146,209	150,597	155,117
Separate Acct Liability	387,882	422,956	460,231	506,254	556,880	612,567	673,824	741,207	815,327	896,860	986,546
Insurance + Annuities Liabilities	137,135	146,221	145,282	161,263	179,002	198,692	212,601	227,483	243,406	260,445	278,676
GLXY	587	619	661	694	729	766	804	844	886	930	977
POW	656,239	697,346	748,121	814,403	887,174	967,091	1,046,931	1,134,011	1,229,015	1,332,695	1,445,874
Total Non-Current Liabilities	656,826	697,965	748,782	815,098	887,903	967,857	1,047,735	1,134,855	1,229,901	1,333,625	1,446,851
GLXY	1,243	2,583	4,105	4,239	4,387	4,552	4,733	4,933	5,152	5,392	5,653
POW	663,367	707,803	754,369	820,821	893,773	973,881	1,053,923	1,141,217	1,236,447	1,340,366	1,453,798
Total Liabilities	664,610	710,386	758,474	825,060	898,160	978,432	1,058,656	1,146,150	1,241,599	1,345,758	1,459,452

Reference Historical Financials:

	30/06/2022	30/09/2022	31/12/2022	31/03/2023	30/06/2023	30/09/2023	31/12/2023	31/03/2024	30/06/2024	
Millions USD	Q122	Q222	Q322	Q422	Q123	Q223	Q323	Q423	Q124	Q224
Fee Revenue	13.77	8.25	5.92	7.64	14.43	11.10	9.53	16.28	28.13	26.48
Realized Gain on Cryptos	354.96	(231.13)	4.72	(73.43)	66.12	20.18	(67.62)	293.15	270.40	(161.74)
Realized Gain on Investments	69.44	3.49	(8.78)	(22.13)	(1.98)	48.33	22.36	(65.30)	(172.83)	12.83
Lending + Staking Revenue	14.64	10.06	6.40	5.66	10.51	10.81	14.01	16.89	29.94	54.37
Derivatives Gain	81.96	80.02	17.83	11.69	55.08	9.64	15.74	71.12	83.64	105.32
Mining Revenue	6.74	10.37	4.22	8.58	2.42	8.56	8.85	13.29	20.13	16.31
Other Income	2.02	(0.29)	2.37	24.43	0.17	0.04	0.13	0.02	0.34	0.14
FX Gain	2.02	(1.30)	2.58	(3.62)	(0.14)	0.06	(0.77)	0.36	(0.12)	1.47
Net Gain on Notes Derivatives	6.49	51.10	(1.04)	1.45	(1.31)	(0.80)	1.08	(8.57)	(9.71)	(2.57)
Net Gain on Warrant Liability	2.52	17.18	0.31	0.31	0.00	0.00	0.00	0.00	0.00	0.00
Revenue	554.60	(52.25)	34.53	(39.42)	145.30	107.92	3.31	347.24	249.92	52.61
SG&A	68.09	78.75	82.27	90.98	55.58	58.47	69.66	68.47	104.57	101.34
Equity Comp	22.76	31.13	27.74	19.22	23.27	15.66	16.77	14.58	17.99	11.60
OpEx	90.85	109.88	110.91	110.20	78.85	74.13	88.43	83.05	122.56	112.94
Operating Income	463.75	(162.13)	(75.48)	(149.62)	66.45	33.79	(85.12)	264.19	127.36	(60.33)
Interest Expense	20.08	19.41	16.04	20.40	12.27	11.12	12.65	15.90	26.83	27.97
Pretax Income	443.67	(181.54)	(91.52)	(170.02)	54.18	22.67	(97.77)	248.29	100.53	(88.30)
Taxes (benefit)	(6.12)	(18.51)	(2.36)	(8.96)	5.73	(1.90)	(3.24)	10.93	11.52	(14.74)
Net Income	449.79	(163.03)	(89.16)	(161.06)	48.45	24.57	(94.53)	237.36	89.01	(73.56)
Unrealized Gain on Cryptos	(500.27)	(233.37)	69.44	659.17	3.03	(4.77)	26.20	1.95	96.81	42.90
Unrealized Gain on Investments	(74.13)	(258.89)	(39.30)	496.18	82.71	(65.85)	(25.38)	84.42	235.85	(114.31)
Shares	329.72	328.65	325.98	320.76	320.13	322.75	322.99	325.23	325.47	340.89
EPS	1.36	-	-	-	0.15	0.08	-	0.73	0.27	-
Operating Margin	0.84	-	-	-	0.46	0.31	-	0.76	0.51	-
Net Margin	0.81	-	-	-	0.33	0.23	-	0.68	0.36	-
Tax Rate	-	-	-	-	0.04	-	-	0.03	0.05	-
Crypto Assets:										
Current No Lockup	2,219.43	854.97	844.75	566.69	854.05	1,111.96	933.76	1,051.94	1,963.08	1,909.77
Current Lockup Restrictions	46.01	20.10	20.71	0.00	0.00	1.82	49.95	26.65	72.22	44.63
Total Current	2,265.44	875.07	865.46	566.69	854.05	1,113.78	983.71	1,078.59	2,035.30	1,954.40
Non-Current Lockup Restriction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.36	42.91	15.86
Total Crypto Assets	2,265.44	875.07	865.46	566.69	854.05	1,113.78	983.71	1,119.95	2,078.21	1,970.26
Self-Custodied Cryptos	2,265.44	875.07	865.46	452.27	854.05	440.04	533.70	647.39	724.17	904.36
CEX + DEX Holdings	0.00	0.00	0.00	114.42	0.00	693.74	450.01	181.09	513.46	794.28
Wrapped Self-Custodied	0.00	0.00	0.00	0.00	0.00	0.00	0.00	66.72	94.51	114.35
Total Accessible Crypto	2,265.44	875.07	865.46	566.69	854.05	1,133.78	983.71	895.20	1,332.14	1,812.99
BTC	-	-	-	222.23	-	-	472.43	589.01	1,102.10	1,202.92
BTC Price at date	-	-	-	\$ 16,547.50	-	-	\$ 26,967.92	\$ 42,265.19	\$ 71,354.85	\$ 62,678.29
ETH	-	-	-	54.22	-	-	227.40	174.98	389.07	344.11
ETH Price at date	-	-	-	\$ 1,196.77	-	-	\$ 1,671.16	\$ 2,281.47	\$ 3,647.86	\$ 3,432.89
SOL	-	-	-	-	-	-	-	93.70	42.90	43.60
SOL Price at date	-	-	-	-	-	-	-	\$ 101.51	\$ 202.87	\$ 146.49
TIA	-	-	-	-	-	-	-	68.50	12.00	45.30
TIA Price at date	-	-	-	-	-	-	-	\$ 11.86	\$ 14.31	\$ 6.19
Stablecoins	-	-	-	261.75	-	-	242.45	179.22	269.43	236.12
Other	-	-	-	28.50	-	-	41.44	-	-	-
Accessible/Total Crypto Book	100%	100%	100%	100%	100%	98%	100%	80%	64%	92%
BTC Mined	-	-	-	-	-	307	309	333	373	242
Revenue (BTC Price x qty)	-	-	-	-	-	9.36	8.33	14.07	26.62	15.17
Avg marginal cost	-	-	-	-	-	2.92	0	5.16	7.28	5.45
Mining NI	-	-	-	-	-	6.44	8.33	8.91	19.34	9.72
Balance Sheet (Incl. Crypto)										
Cash	848.21	1,013.90	1,038.18	542.10	399.94	301.63	295.00	316.61	247.23	314.03
Cryptos	2,265.44	875.07	865.46	566.69	854.05	1,113.78	983.71	1,078.59	2,035.30	1,954.40
A/R	750.48	346.82	235.34	158.82	297.80	439.65	391.10	558.63	693.32	711.44
Collateral	131.62	88.57	98.98	25.14	94.89	8.78	123.50	318.20	173.39	203.94
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	578.98	508.38
Derivatives	45.74	29.71	23.91	17.72	89.63	69.08	45.44	173.21	341.34	153.47
Total ST Assets	4,041.49	2,354.07	2,261.87	1,310.47	1,736.31	932.92	1,838.75	2,445.24	4,069.56	3,845.66
A/R	35.74	6.07	11.17	106.13	107.55	23.08	117.33	16.43	18.07	16.73
LT Investments	1,006.19	753.95	748.16	595.12	692.39	607.76	586.51	735.10	822.41	800.32
Lockup Crypto	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.36	42.91	15.86
PP&E	33.19	154.22	143.12	208.54	218.63	235.74	238.98	259.97	271.88	267.43
Total LT Assets	1,075.12	914.24	902.45	909.79	1,018.57	866.58	942.82	1,052.86	1,155.27	1,100.34
Total Assets	5,116.61	3,268.31	3,164.32	2,220.26	2,754.88	1,799.50	2,781.57	3,498.10	5,224.83	4,946.00
Liabilities										
Payables	1,047.63	463.21	328.33	233.46	445.01	525.99	608.51	684.19	903.54	1,026.99
Short Selling	25.40	8.92	7.96	0.09	0.00	0.00	37.88	25.30	100.27	115.24
ST Debt	993.77	530.90	613.65	170.57	302.85	356.63	323.81	491.35	1,251.00	1,161.56
ST Lease Liabilities	2.38	3.48	3.66	4.47	4.38	3.26	1.76	3.86	3.96	3.96
Mgmt Comp	0.00	19.83	24.70	53.98	58.54	66.94	68.14	67.95	81.94	87.40
Derivative Liabilities	31.65	41.85	19.33	16.57	81.33	47.37	39.74	160.64	395.84	118.77
TCL	2,100.83	1,068.19	997.63	479.14	892.11	1,000.19	1,079.84	1,433.29	2,736.55	2,513.92
LT Leases	12.63	10.95	12.79	12.41	11.57	10.80	11.21	10.24	9.20	8.27
LT Debt	472.36	424.84	425.63	384.52	389.21	393.47	395.90	408.05	421.41	427.68
Deferred Tax	8.51	7.80	9.26	31.30	33.74	31.09	30.89	33.89	40.82	46.73
TLL	493.50	443.59	447.68	428.23	434.52	435.36	438.00	452.18	471.43	482.68
Total Liabilities	2,594.33	1,511.78	1,445.31	907.37	1,326.63	1,435.55	1,517.84	1,885.47	3,207.98	2,996.60

	30/06/2022	30/09/2022	31/12/2022	31/03/2023	30/06/2023	30/09/2023	31/12/2023	31/03/2024	30/06/2024	
Millions CAD	Q122	Q222	Q322	Q422	Q123	Q223	Q323	Q423	Q124	Q224
Income Statement										
Premiums	4,780	4,762	4,648	5,442	5,037	5,081	5,110	5,174	5,250	5,273
<i>growth</i>		-0.38%	-2.39%	17.08%	-7.44%	0.87%	0.57%	1.25%	1.47%	0.44%
Interest + Dividend Income	9,825	11,209	6,100	(1,664)	(1,292)	3,941	6,454	(9,412)	2,509	2,225
Gain on Sale of Investment	(11,385)	(13,731)	(7,400)	1,276	3,571	(2,796)	(5,441)	11,081	(1,350)	(848)
Other Revenue	5,433	6,125	5,453	710	551	2,850	3,330	(1,370)	2,558	2,362
Total Revenue	8,653	8,365	8,801	5,764	7,867	9,076	9,453	5,473	8,967	9,012
Claims	4,099	3,964	3,996	4,046	4,337	4,378	4,322	3,520	4,453	4,442
Policy Acquisitions + Underwriting costs	-	-	-	637	-	-	-	702	-	-
S,G & A	2,222	2,425	2,363	2,648	2,633	2,829	2,654	2,987	2,900	2,907
<i>growth</i>		9.14%	-2.56%	12.06%	-0.57%	7.44%	-6.19%	12.55%	-2.91%	0.24%
Provision for Loan Losses	-	-	-	(37)	-	-	-	9	-	-
Other Opex	-	-	-	61	-	-	-	62	-	-
Opex	6,321	6,389	6,359	7,355	6,970	7,207	6,976	7,280	7,353	7,349
Operating Income	2,332	1,976	2,442	(1,591)	897	1,869	2,477	(1,807)	1,614	1,663
Interest	(688)	(859)	(1,124)	2,026	(191)	(1,178)	(1,163)	2,525	(201)	(202)
Affiliates Income	32	45	(31)	(80)	33	248	327	7	64	73
Other	-	-	-	(27)	-	-	-	(29)	-	-
Pretax Income	1,676	1,162	1,287	328	739	939	1,641	696	1,477	1,534
Taxes (write-offs)	265	190	196	(5)	120	88	198	(143)	234	305
Net Income	1,411	972	1,091	333	619	851	1,443	839	1,243	1,229
Shares	681.3	673.9	670.5	668.4	667.9	666.8	661.8	656.2	654.2	653
EPS	\$ 2.07	\$ 1.44	\$ 1.63	\$ 0.50	\$ 0.93	\$ 1.28	\$ 2.18	\$ 1.28	\$ 1.90	\$ 1.88
Underwriting Margin	14.25%	16.76%	14.03%	25.65%	13.90%	13.84%	15.42%	31.97%	15.18%	15.76%
Operating Margin	27%	24%	28%	-28%	11%	21%	26%	-33%	18%	18%
Net Margin	16%	12%	12%	6%	8%	9%	15%	15%	14%	14%
Tax Rate	3%	2%	2%	0%	2%	1%	2%	-3%	3%	3%
Balance Sheet										
Investments:										
Bonds	35,121	44,230	44,792	13,075	13,357	11,941	11,715	12,123	12,090	156,591
Stocks	8,182	7,646	7,255	7,480	7,442	7,954	8,055	8,563	9,494	26,178
Trading Asset Securities (Derivatives)	107,448	127,970	128,087	161,036	161,277	158,058	156,497	164,683	164,586	-
Real Estate Net of Depreciation	8,004	8,387	8,385	8,344	8,328	8,210	8,070	7,870	7,827	7,910
Mortgage Loans	34,673	42,980	43,952	42,324	42,644	41,972	42,403	43,568	43,347	43,617
Policy Loans	8,213	8,496	8,892	-	-	-	-	-	-	-
Total Investments	201,641	239,709	241,363	232,259	233,048	228,135	226,740	236,807	237,344	234,296
Cash	12,294	10,639	11,289	8,867	8,928	9,399	9,511	9,144	10,147	10,890
Reinsurance Recoverable	19,194	17,663	17,195	25,701	17,601	16,778	16,507	24,600	17,407	17,180
Receivables	-	-	-	6,946	1,158	1,090	1,201	7,801	1,282	1,315
Separate Accounts (Reserve MCT)	334,233	371,504	369,410	387,882	405,146	410,616	402,284	422,956	449,323	460,231
Derivatives	1,086	1,715	3,753	8,439	2,279	6,957	6,307	15,260	2,005	2,040
Total Current Assets	366,807	401,521	401,647	437,835	435,112	444,840	435,810	479,761	480,164	491,656
Net PP&E	3,660	3,869	4,050	4,409	4,641	4,613	4,874	5,082	5,188	5,292
Intangibles	7,561	8,371	8,694	8,316	8,395	6,687	6,767	6,690	6,732	6,789
LT Deferred Tax	1,117	1,148	1,272	1,505	1,614	1,714	1,607	1,894	1,916	1,963
Other LT Assets	37,542	31,675	31,968	3,184	27,418	23,467	24,659	2,513	29,428	36,030
Total LT Assets	49,880	45,063	45,984	17,414	42,068	36,481	37,907	16,179	43,264	50,074
Total Assets	618,328	686,293	688,994	687,508	710,228	709,456	700,457	732,747	760,772	776,026
Accnts Payable	-	-	-	3,675	-	-	-	3,954	-	-
Reinsurance Payable	-	-	-	537	549	625	601	648	679	731
Curr. Port. of LT Debt	1,116	1,057	990	725	1,051	1,130	1,087	937	875	906
Curr. Port. of LT Leases	31	31	31	-	30	31	31	117	30	30
ST Debt	264	182	274	561	382	314	404	734	585	471
Other Curr. Liabilities	-	-	-	545	-	2,424	2,023	2,932	-	-
Trust Preferred Securities	157	157	157	157	156	156	156	156	156	156
Pension Benefits	-	-	-	928	-	-	-	979	-	-
Total ST Liabilities	1,568	1,427	1,452	7,128	2,168	4,681	4,302	10,457	2,325	2,294
LT Debt	17,492	17,711	18,132	18,815	18,578	18,396	18,709	18,376	18,513	20,245
LT Leases	216	217	211	916	197	199	200	623	188	183
LT Deferred Tax Liability	1,596	1,537	1,496	1,286	1,212	1,160	1,149	1,216	1,152	1,160
Other LT Liability	36,122	34,131	37,384	110,205	117,828	111,693	113,581	107,954	117,364	121,020
Total LT Liabilities	55,426	53,596	57,223	131,222	137,815	131,448	133,639	128,169	137,216	142,608
Separate Acct Liability	334,233	371,504	369,410	387,882	405,146	410,616	402,284	422,956	449,323	460,231
Insurance + Annuities Liabilities	197,190	231,522	232,380	137,135	138,765	136,774	133,724	146,221	145,018	145,282
Total Liabilities	588,417	658,049	660,465	663,367	683,894	683,519	673,949	707,803	733,883	750,415